

HOUSE BILL 3167  
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 34 and Title 8, Chapter 37, relative to investment of the Tennessee Consolidated Retirement System.

WHEREAS, the financial security of the present and former state employees is of utmost importance to the members of this body; and

WHEREAS, the Tennessee Consolidated Retirement System (TCRS) was established to ensure retirement allowances and other benefits to the numerous employees dedicated to the betterment of Tennessee through public service, and

WHEREAS, the opportunity to increase the return on the investments of the TCRS will undoubtedly assure even greater financial security for our current and former employees, and

WHEREAS, the investment of assets of the TCRS in a venture capital fund will provide a venue for diversification and support the spirit in which the system was created by increasing the financial security of the beneficiaries of TCRS; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 37, is amended by adding a new part consisting of Section 2 of this act:

SECTION 2.

(a) The board of trustees may invest up to three percent (3%) of the assets of the Tennessee consolidated retirement system in a venture capital fund. The board of trustees shall endeavor to use the services of a fund manager as defined in (b)(1) to the greatest extent feasible within the bounds of financial and fiduciary prudence.

(b) As used in this section:

(1) "Fund manager" means a qualified venture capital fund manager with demonstrated experience in retirement fund investments and manages a diverse and balanced portfolio of at least five hundred million dollars (\$500,000,000).

(2) "Venture capital fund" shall have the same meaning as defined in §67-4-2008(a)(5).

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.